

# KENTUCKY EMPLOYEES' HEALTH PLAN

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## SPOTLIGHT TRAINING



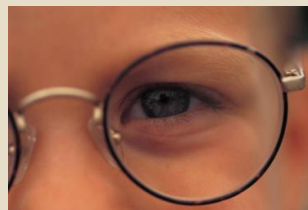
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# HRA (Health Reimbursement Account)

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# WHAT IS A HRA?

HRA (Health Reimbursement Account) is **EMPLOYER** money that is loaded on VISA card for members to use to pay for qualified expenses for health, vision or dental expenses



Three types of HRA's

- **Waiver** - is provided to members who **WAIVE** their health coverage. \$2100 of **employer contribution** is loaded on a VISA for members to use for co-pays for medical or prescriptions, deductibles, co-insurance, or qualified dental and/or vision expenses.
- **Waiver/Dental Vision Waiver** is provided to members who **WAIVE** their health coverage. \$2100 of **employer contribution** is loaded on a Visa to use towards qualified Dental and /or Vision expenses
- **Embedded HRA** is provided to members who elect one of the Maximum Choice plans. Members will receive \$1000, \$1500 or \$2000 of **Employer Contribution** loaded on a VISA depending on Maximum Choice Plan option selection of Single, Couple, Parent Plus or Family

# HRA (HEALTH REIMBURSEMENT ACCOUNT)



- Only available to members who waive health insurance coverage **OR**
- Available to members who enroll in a **Commonwealth Maximum Choice plan**
- Unused money **will** carry to the next year\*

\*Specific requirements-must keep the same plan as prior year election

# WAIVER WITH HRA

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## Who Qualifies for the Waiver HRA?

- Active employees who are benefits eligible and may have other coverage
- Active employees benefits eligible who may not have other coverage
- Active employees benefits eligible who may have Medicare or may have other coverage

# WAIVER WITH HRA

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Who **does not** qualify for Waiver HRA

- Retirees who return to work
- Hazardous duty retirees
- Employees who cross reference with hazardous duty retirees

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WAIVER DENTAL/VISION ONLY  
HEALTH REIMBURSEMENT  
ACCOUNT (HRA)

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# ***NEW* WAIVER DENTAL/VISION ONLY** **HEALTH REIMBURSEMENT ACCOUNT(HRA)**



- Covers dental and vision services ONLY!!
- **\$2100 Employer Contribution** loaded on Visa for dental and vision expenses for members who do not elect health insurance coverage
- Waiver Dental/Vision is available for employees and their spouses who have a Health Savings Account (HSA) and the Waiver HRA is not
- Ideal for employees who are over 65 years old, have returned to work and are enrolled in Medicare
  - This HRA will have no affect on Medicare and Medicare will remain your primary payer



# WAIVER DENTAL/VISION ONLY HRA

- Can be used for certain dental fees such as cleanings, fillings and crowns
- Orthodontic treatment
- Vision fees including contacts, eyeglasses and laser vision correction



(Teeth Whitening is excluded for coverage)

NOTE: CLAIM SUBSTANTIATION IS REQUIRED

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# **FLEXIBLE SPENDING ACCOUNT (FSA)**

# FLEXIBLE SPENDING ACCOUNT (FSA)



- FSAs are offered under a section 125 cafeteria plan and are a pre-tax benefit to employees.
  - **Employee money** (not all agencies participate)
  - Employee must enroll every year - **FSAs do not rollover to new plan year**
  - Unused money is forfeited - “Use-It or Lose-It” Rule
  - Certain qualifying events will allow election changes during the year

# FLEXIBLE SPENDING ACCOUNT (FSA)



- Pre-tax benefit to pay for:

- Co-payments
- Deductibles
- Eyeglasses
- Dental services
- Braces



- Prescriptions (not eligible for over the counter medication)

# FLEXIBLE SPENDING ACCOUNT (FSA)



- \$5000.00 Maximum Contribution
- Certain Qualifying Events will allow election changes during the year (See Admin. Manual for details)
- Employees have until **March 31<sup>st</sup>** of the following plan year to submit claims that were incurred during the period of coverage

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# DEPENDENT CARE ACCOUNT

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# DEPENDENT CARE FSA



- Employee pre-tax benefit to pay for:
  - Day Care Services (under age 13)
  - Adult Care Services (disabled dependents)



***Note: Expenses must be employment related.***

***Reimbursements will only be provided for daycare/  
adult care services while employee is working.***

# DEPENDENT CARE FSA



- Employee must enroll every year
  - Employee elects annual dollar amount that must be used in current plan year
  - Maximum contribution is based on tax filing status:
    - Head of household (HOH)                      \$5000
    - Married Filing Separately                      \$2500
    - Married Filing Jointly                      \$5000
- (DEI no longer monitors the tax filing status)



# DEPENDENT CARE FSA

Dependent Care FSAs are offered under a section 125 cafeteria plan and are a pre-tax benefit to employees.

- Employee money (not all agencies participate)
- Employee must enroll every year Dependent Care FSA's do not rollover to new plan year.
- Unused money is forfeited- “Use-IT or Lose-It” Rule
- Certain qualifying events will allow election changes during the year. (See Admin. Manual for details)

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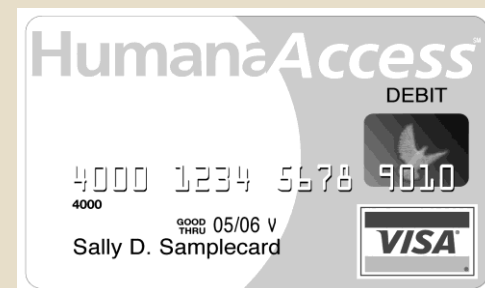
# HUMANAAccess<sup>sm</sup> CARD

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# HUMANAAACCESS<sup>sm</sup> CARD

Who will receive the HumanaAccess<sup>sm</sup> Card?

- Maximum Choice Plan members
- HRA Waivers
- Dental/Vision ONLY HRA Waivers
- Flexible Spending Account Members



Members who currently have a HumanaAccess<sup>sm</sup>VISA® Debit card that expires in 2011 will receive a new card for 2012 plan year if one of the above plans is elected.

# HUMANAACCESS<sup>sm</sup> CARD



- Members can use the Access Card at the time of service or file a paper claim
- Substantiation is required for HumanaAccess Card
- All funds are loaded on the same card
  - Members COULD participate in more than one HumanaAccess card account
    - Example: Member elects Maximum Choice plan and also has a Flexible Spending Account

# HUMANACCESS<sup>sm</sup> VISA<sup>®</sup> DEBIT CARD



- Must be activated prior to use
- Swipe card to make purchase and select the “credit” option
- Amount of transaction is automatically deducted from account balance
- If member has an FSA, funds will be deducted from FSA first because FSA will not roll over
- Can be used at pharmacies, doctor’s office, hospitals and drug stores



# HUMANAACCESS CARD DENIALS



- Substantiation
- Outstanding substantiation for prior claims
- Using old Access Card
- Member is not showing active in the system
- Provider could be swiping card incorrectly
- Member has a zero account balance on Access Card

***In the event of an Access Card denial members should contact HUMANA at 800-604-6228.***

# HUMANAAACCESS CARD CLAIM PAYMENTS



- Electronic at the time of service
- By providing numbers on Access Card to provider office on the bill
- Reimbursement (filing paper claim)

Mail to:

Humana Spending Account Administration

P.O. Box 14167

Lexington KY 40512-4167

Fax to :

800-905-1851



# FSA AND HRA TERMINATION DATES



- Termination dates for an FSA and an HRA is the day employment ends or the day the employee retires
- HRA Contributions are paid by the employer up to the date employment ends





# FOR FSA AND HRA QUESTIONS



- Contact Financial Management Branch Flex Team
  - PHONE: 502-564-0350 or 502-564-0351
  - FAX: 502-564-0364

